



# DISABILITY SERVICES AGENCIES AUDIT OF SELECT FEDERAL PROGRAMS

REPORT ON AUDIT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022

Auditor of Public Accounts  
Staci A. Henshaw, CPA

[www.apa.virginia.gov](http://www.apa.virginia.gov)

(804) 225-3350



## AUDIT SUMMARY

Our audits of the Rehabilitation Services Vocational Rehabilitation Grants to States federal grant program, administered by the Department for Aging and Rehabilitative Services (Aging and Rehabilitative Services) and the Department for the Blind and Vision Impaired (Blind and Vision Impaired), and the Disability Insurance/Supplemental Security Income Cluster of federal grant programs, administered by Aging and Rehabilitative Services, for the year ended June 30, 2022, found:

- proper recording and reporting of all transactions, in all material respects, in the Commonwealth's accounting and reporting system;
- no matters involving internal control and its operation necessary to bring to management's attention;
- no instances of noncompliance with applicable laws and regulations or other matters that are required to be reported; and
- proper reporting of the status of corrective action as ongoing for the prior audit finding titled "Improve Oversight of Third-Party Service Providers" in the Commonwealth's Summary Schedule of Prior Audit Findings as of June 30, 2022.



Staci A. Henshaw, CPA  
Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

January 30, 2023

The Honorable Glenn Youngkin  
Governor of Virginia

Joint Legislative Audit  
and Review Commission

We have audited the financial records and operations of the Rehabilitation Services Vocational Rehabilitation Grants to States federal grant program, administered by the **Department for Aging and Rehabilitative Services (Aging and Rehabilitative Services)** and the **Department for the Blind and Vision Impaired (Blind and Vision Impaired)** and the Disability Insurance/Supplemental Security Income Cluster of federal grant programs, administered by **Aging and Rehabilitative Services**, for the year ended June 30, 2022. We conducted this audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, in support of the Commonwealth's Single Audit. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## **Audit Objectives**

Our audit's primary objective was to audit the Rehabilitation Services Vocational Rehabilitation Grants to States federal grant program and Disability Insurance/Supplemental Security Income Cluster of federal grant programs in support of the Commonwealth's Single Audit. In support of this objective, we evaluated the accuracy of recorded financial transactions in the Commonwealth's accounting and financial reporting system. We reviewed the adequacy of Aging and Rehabilitative Services' and Blind and Vision Impaired's internal controls over compliance with applicable laws, regulations, contracts, and grant agreements, and reviewed corrective actions with respect to audit findings and recommendations included in the 2021 Commonwealth of Virginia Single Audit Report to confirm that Aging and Rehabilitative Services properly reported the status of corrective action for the prior audit finding titled "Improve Oversight of Third-Party Service Providers" in the Commonwealth's Summary Schedule of Prior Audit Findings as of June 30, 2022.

## **Audit Scope and Methodology**

Management of Aging and Rehabilitative Services and Blind and Vision Impaired are responsible for establishing and maintaining internal control and complying with applicable laws, regulations, contracts, and grant agreements. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws, regulations, contracts, and grant agreements.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered materiality and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the Rehabilitation Services Vocational Rehabilitation Grants to States federal grant program and Disability Insurance/Supplemental Security Income Cluster of federal grant programs.

We performed audit tests to determine whether Aging and Rehabilitative Services' and Blind and Vision Impaired's controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws, regulations, contracts, and grant agreements. Our audit procedures included inquiries of appropriate personnel; inspection of documents, records, and contracts; and observation of Aging and Rehabilitative Services' and Blind and Vision Impaired's operations. We performed analytical procedures, and tested details of transactions to achieve our objectives.

A nonstatistical sampling approach was used. Our samples were designed to support conclusions about our audit objectives. An appropriate sampling methodology was used to ensure the samples selected were representative of the population and provided sufficient, appropriate evidence. We identified specific attributes for testing each of the samples and, when appropriate, we projected our results to the population.

## **Conclusions**

We found that Aging and Rehabilitative Services and Blind and Vision Impaired properly stated, in all material respects, the amounts recorded and reported in the Commonwealth's accounting and financial reporting system.

We noted no matters involving internal control and its operation that we consider necessary to be reported to management. The results of our tests of compliance with applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. Finally, Aging and Rehabilitative Services properly reported the status of corrective action as ongoing for the prior audit finding titled "Improve Oversight of Third-Party Service Providers" in the Commonwealth's Summary Schedule of Prior Audit Findings as of June 30, 2022.

The results for the Commonwealth's Single Audit for the year ended June 30, 2022, are contained in a separate report, which will be available on our website at [www.apa.virginia.gov](http://www.apa.virginia.gov) in February 2023.

### **Exit Conference and Report Distribution**

We provided a draft of the report to management for review prior to its release. This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

Staci A. Henshaw  
AUDITOR OF PUBLIC ACCOUNTS

MAS/clj

**DEPARTMENT OF AGING AND REHABILITATIVE SERVICES  
AND THE  
DEPARTMENT FOR THE BLIND AND VISION IMPAIRED**

As of June 30, 2022

Kathryn Hayfield, Commissioner  
Department for Aging and Rehabilitative Services

Dr. Richard Mitchell, Commissioner  
Department for the Blind and Vision Impaired